

**Amendments to the Specification:**

Please replace the second full paragraph of page 1, lines 5-8, with the following amended paragraph:

Conventionally, there is an engine which projects a cylinder from a crank case obliquely and upwardly like the present invention, as the inclined engine (see Japanese Patent Publication No. 11-303941 ~~Patent Reference 1~~).

Please delete the sentence at lines 16 and 17 of page 1.

Please replace the Summary of the Invention section with the following:

Briefly stated, the present invention is directed to an inclined engine that projects a cylinder 2 from a crank case 1 obliquely and upwardly. In this inclined engine, when seen in a direction parallel to a center axis 3 of a crank shaft, under a specific observation condition where a direction in which the cylinder 2 projects is deemed as an upper right side, a valve operating cam gear 5 meshes with a crank gear 4 from a horizontal right side of the latter. A governor gear 6 is arranged in a space defined below a portion where the crank gear 4 meshes with the valve operating cam gear 5. This governor gear 6 engages with the valve operating cam gear 5 from a lower left side of the latter.